

Susan Bell
Commissioner

P.O. Box 110800
Juneau, AK 99811-0800

www.commerce.alaska.gov



Mark Kelsey
Communications
Coordinator

907.269.7387
mark.kelsey@alaska.gov

Press Release

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Community aid payments out in record time

Juneau – As part of its ongoing efforts to promote strong communities, the Department of Commerce, Community, and Economic Development (DCCED) has announced the earliest release date on record for making payments to communities under the Community Revenue Sharing and Payment in Lieu of Taxes (PILT) programs.

The two programs, with fiscal year 2012 funding totaling more than \$90 million, are among the most important sources of outside operating revenue for many of Alaska's communities. The funds are relied on for basic local needs, such as bulk fuel purchases, electrical generation, water and sewer operations, public safety, and local tax relief.

"These funds are critically important to many Alaska communities," said DCCED Commissioner Susan Bell. "I am pleased that the department was able to achieve this unprecedented early payment date."

The federal Payment in Lieu of Taxes (PILT) Program provides payments to city and borough governments, based on the location of certain federally owned lands, also known as "entitlement lands." The PILT payments are calculated by the U.S. Department of the Interior and are intended to supplement other federal land payments local governments may be receiving. PILT payments may be used for any governmental purpose.

The state's Community Revenue Sharing Program annually provides Alaska's boroughs, cities and unincorporated communities with funds vital to the provision of basic public services. Payments received by communities can be used at the discretion of the community for any public purpose, as it is generally recognized that local residents are in the best position to determine the needs and priorities of their own communities.

DCCED's Division of Administrative Services began disbursing payments under the two programs to eligible communities on July 1, the first day of the new fiscal year, following the processing of applications from around the state by the Division of Community and Regional Affairs (DCRA).

“Rural communities, in particular, count on this money to secure their annual fuel deliveries during the short fuel delivery season,” DCRA Director Scott Ruby said. “We made speedy payments a priority this year, and through effective coordination with the Division of Administrative Services, we were able to make it happen.”

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